

A1
Comp + B1
C1

(b) propagating the stem cells, wherein embryoid bodies are formed, and

(c) culturing the embryoid bodies in a medium containing an effective amount of fibroblast growth factor 2, wherein neural precursor cells are generated and wherein the neural precursor cells are characterized by rosette formations.

A2 Sub B1

3. (Amended) The method of claim 1 further comprising the step of isolating the neural precursors by differential enzymatic treatment and adhesion wherein the treatment leads to the preferential detachment of central neuroepithelial islands.

4. (Amended) The method of claim 1 wherein the amount of fibroblast growth factor 2 in the medium of step (c) is between 10 and 20 ng/ml.

A3

13. (Amended) The method of claim 1 wherein step (c) comprises culturing the embryoid bodies in a medium comprising insulin, transferrin, progesterone, putrescine, sodium selenite and heparin.

Sub B1

14. (Amended) An isolated cell population comprising at least 72% neural precursor cells wherein the cells are characterized by rosette formations.